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## BEFORE THE ARIZONA CORPORATION CC

RECEIVED

## COMMISSIONERS

BOB STUMP - Chairman

GARY PIERCE

BRENDA BURNS

BOB BURNS

SUSAN BITTER SMITH

2013 AUG 29 P 12: 26

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION	)	DOCKET NOS. T-02871A-13-0143
OF GLOBAL TEL*LINK CORPORATION,	)	T-03798A-13-0143
VALUE ADDED COMMUNICATIONS, INC.	)	T-20734A-13-0143
DSI-ITI, LLC, AND PUBLIC	)	T-03682A-13-0143
COMMUNICATIONS SERVICES, INC.	)	
FOR APPROVAL OF ISSUANCE OF DEBT	)	
AND RELATED FINANCING	)	
TRANSACTIONS	)	

NOTICE OF COMPLIANCE  
WITH BOND REQUIREMENT

Notice is hereby given that today Global Tel\*Link Corporation, Value-Added Communications, Inc., DSI-ITI, LLC, and Public Communications Services, Inc. hereby file copies of the attached bonds in the amount of \$125,000 and \$75,000 respectively as directed by the Decision No. 74009. The original bonds were hand-delivered to the Commission's Business Office today, August 29, 2013.

Respectfully submitted the 29<sup>th</sup> day of August 2013.

Global Tel\*Link Corporation  
Value-Added Communications, Inc.  
DSI-ITI, LLC  
Public Communications Services, Inc.

By:

Joan S. Burke  
Law Office of Joan S. Burke  
1650 N. First Avenue  
Phoenix, AZ 85003  
(602) 535-0396  
[joan@jsburkelaw.com](mailto:joan@jsburkelaw.com)

Arizona Corporation Commission

DOCKETED

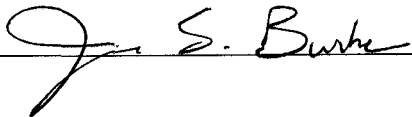
AUG 29 2013

DOCKETED BY

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ORIGINAL and thirteen (13) copies of the foregoing  
filed this 29<sup>th</sup> day of August 2013, with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

\_\_\_\_\_

**FORM TO BE USED WHEN BONDING  
ONLY ONE YEAR OF A MULTI-YEAR CONTRACT**

Bond No.                     

KNOW ALL MEN BY THESE PRESENTS:

That, VALUE ADDED COMMUNICATIONS

(hereinafter called the "Principal"), and RLI Insurance Company, a corporation of the State of Illinois and whose principal office is located in the City of Peoria, State of Illinois (hereinafter called the Surety), are held and firmly bound unto ARIZONA CORPORATION COMMISSION (hereinafter called the Obligor), in the full and just sum of One Hundred Twenty Five Thousand and 00/100 Dollars, (\$ 125,000.00 ) to the payment of which sum, well and truly to be made, the said Principal and Surety bind themselves, their, and each of their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bound Principal has entered into a certain written contract with the above mentioned Obligor described as: Inmate Telephone Services dated                      to                      for a period of one years which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

WHEREAS, the Obligor has agreed to accept a bond guaranteeing the performance of said contract for a period of only one year.

NOW THEREFORE, THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, that if the above bounden Principal shall well and truly keep, do and perform, each and every, all and singular the matters and things in said contract set forth and specified to be by the said Principal kept, done and performed, at the time and in the manner in said contract specified during the term of this bond, and shall pay over, make good and reimburse to the above named Obligor, all loss and damage which said Obligor may sustain by reason of failure or default on the part of said Principal, then this obligation shall be void, otherwise to be and remain in full force and effect.

PROVIDED, HOWEVER, that this bond is subject to the following conditions and provisions:

1. This bond is for the term beginning 8/27/2013 and ending 8/27/2014.
2. In the event of default by the Principal in performance of the contract during the term of this bond the Surety shall be liable only for the loss to the Obligor due to actual excess costs of performance of the contract up to the termination of the term of this bond.
3. No claim, action, suit or proceeding, except as herein set forth, shall be instituted against the Surety on this bond unless same be brought or instituted and process served upon the Surety within six months after the completion of the contract.
4. Neither non renewal by the Surety, nor failure, nor inability of the Principal to file a replacement bond shall constitute loss to Obligor recoverable under this bond.
5. The bond may be renewed for additional terms at the option of the Surety, by continuation certificate executed by the Surety.

Signed and sealed this 27th day of August, 2013.

VALUE ADDED COMMUNICATIONS

By                     

RLI Insurance Company

By                     

Wayne G. McVaugh, Attorney-in-Fact



RLI Surety  
P.O. Box 3967 | Peoria, IL 61612-3967  
Phone: (800)645-2402 | Fax: (309)689-2036  
www.rlicorp.com

## POWER OF ATTORNEY

**RLI Insurance Company**

### Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company**, an Illinois corporation, does hereby make, constitute and appoint:

Darella E. White, Douglas R. Wheeler, Richard A. Jacobus, Mary C. O'Leary, Elizabeth Marrero, Maurcen McNeill, Marisa Thielen,  
Wayne G. McVaugh, Marina Tapia, Jaquanda Long, jointly or severally

in the City of Philadelphia, State of Pennsylvania its true and lawful Agent and Attorney in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, the following described bond.

**Any and all bonds provided the bond penalty does not exceed Twenty Five Million Dollars (\$25,000,000.00).**

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon this Company as if such bond had been executed and acknowledged by the regularly elected officers of this Company.

The **RLI Insurance Company** further certifies that the following is a true and exact copy of the Resolution adopted by the Board of Directors of **RLI Insurance Company**, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** has caused these presents to be executed by its Vice President with its corporate seal affixed this 2nd day of August, 2013.



**RLI Insurance Company**

By: Roy C. Die Vice President

State of Illinois  
County of Peoria

} SS

On this 2nd day of August, 2013, before me, a Notary Public, personally appeared Roy C. Die, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

By: Jacqueline M. Bockler  
Jacqueline M. Bockler Notary Public



### CERTIFICATE

I, the undersigned officer of **RLI Insurance Company**, a stock corporation of the State of Illinois, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** this 27th day of August, 2013.

**RLI Insurance Company**

By: Roy C. Die Vice President



RLI Insurance Company  
P.O. Box 3967 Peoria IL 61612-3967  
Phone: 309-692-1000 Fax: 309-683-1610

## RLI Insurance Company

December 31, 2012

### Admitted Assets

Investments:	
Fixed maturities	\$ 357,980,948
Equity securities	912,184,028
Short-term investments	23,235,318
Real estate	17,271,017
Properties held to produce income	0
Cash on hand and on deposit	10,051,146
Other invested assets	1,115,700
Receivables for securities	0
Agents' balances	85,516,217
Investment income due and accrued	4,022,247
Funds held	4,000
Reinsurance recoverable on paid losses	10,137,514
Federal income taxes receivable	0
Net deferred tax asset	381,309
Guarantee funds receivable or on deposit	179,484
Electronic data processing equipment, net of depreciation	227,680
Receivable from affiliates	0
Other admitted assets	1,594,808
<b>Total Admitted Assets</b>	<b>\$ 1,423,901,416</b>

State of Illinois

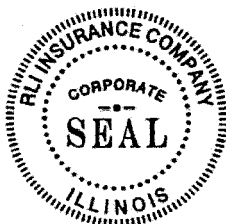
County of Peoria

### Liabilities and Surplus

Liabilities:	
Reserve for unpaid losses and loss adjustment expenses	\$ 423,119,909
Unearned premiums	183,123,513
Accrued expenses	46,246,361
Funds held	9,404,285
Advance premiums	4,637,835
Amounts withheld	46,553,072
Ceded reinsurance premium payable	16,146,440
Payable for securities	0
Statutory penalties	1,244,600
Current federal & foreign income taxes	2,163,746
Federal income tax payable	0
Borrowed money and accrued interest	0
Drafts outstanding	0
Payable to affiliate	3,081,840
Other liabilities	4,107,634
<b>Total Liabilities</b>	<b>\$ 739,829,235</b>
Surplus:	
Common stock	\$ 10,000,375
Additional paid-in capital	242,451,084
Unassigned surplus	431,620,722
<b>Total Surplus</b>	<b>\$ 684,072,181</b>
<b>Total Liabilities and Surplus</b>	<b>\$ 1,423,901,416</b>

The undersigned, being duly sworn, says: That he is the President of **RLI Insurance Company**; that said Company is a corporation duly organized, in the State of Illinois, and licensed and engaged in business in the State of \_\_\_\_\_ and has duly complied with all the requirements of the laws of said State applicable of said Company and is duly qualified to act as Surety under such laws; that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved July 1947, 6U.S.C sec. 6-13; and that to the best of his knowledge and belief the above statement is a full, true, and correct statement of the financial condition of the said Company on the 31st day of December 2012.

Attest:



{ Corporate  
Seal  
Affixed }

Michael J. Stone

President

Cynthia S. Dohm

Assistant Secretary

Sworn to before me this 4th day of March, 2013.



{ Notarial  
Seal  
Affixed }

Jacqueline M. Bockler

Notary Public, State of Illinois

M0058313

**FORM TO BE USED WHEN BONDING  
ONLY ONE YEAR OF A MULTI-YEAR CONTRACT**

Bond No.                     

KNOW ALL MEN BY THESE PRESENTS:

That, PUBLIC COMMUNICATION SERVICES  
(hereinafter called the "Principal"), and RLI Insurance Company, a corporation of the State of Illinois and whose principal office is located in the City of Peoria, State of Illinois (hereinafter called the Surety), are held and firmly bound unto ARIZONA CORPORATION COMMISSION (hereinafter called the Oblige), in the full and just sum of Seventy Five Thousand and 00/100 Dollars, (\$ 75,000.00) to the payment of which sum, well and truly to be made, the said Principal and Surety bind themselves, their, and each of their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bound Principal has entered into a certain written contract with the above mentioned Oblige described as: Inmate Telephone Services dated                      to                      for a period of one years which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

WHEREAS, the Oblige has agreed to accept a bond guaranteeing the performance of said contract for a period of only one year.

NOW THEREFORE, THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, that if the above bounden Principal shall well and truly keep, do and perform, each and every, all and singular the matters and things in said contract set forth and specified to be by the said Principal kept, done and performed, at the time and in the manner in said contract specified during the term of this bond, and shall pay over, make good and reimburse to the above named Oblige, all loss and damage which said Oblige may sustain by reason of failure or default on the part of said Principal, then this obligation shall be void, otherwise to be and remain in full force and effect.

PROVIDED, HOWEVER, that this bond is subject to the following conditions and provisions:

1. This bond is for the term beginning 8/27/2013 and ending 8/27/2014.
2. In the event of default by the Principal in performance of the contract during the term of this bond the Surety shall be liable only for the loss to the Oblige due to actual excess costs of performance of the contract up to the termination of the term of this bond.
3. No claim, action, suit or proceeding, except as herein set forth, shall be instituted against the Surety on this bond unless same be brought or instituted and process served upon the Surety within six months after the completion of the contract.
4. Neither non renewal by the Surety, nor failure, nor inability of the Principal to file a replacement bond shall constitute loss to Oblige recoverable under this bond.
5. The bond may be renewed for additional terms at the option of the Surety, by continuation certificate executed by the Surety.

Signed and sealed this 27th day of August, 2013.

PUBLIC COMMUNICATION SERVICES

By                     

RLI Insurance Company

By                     

Wayne G. McVaugh, Attorney-in-Fact



RLI Surety  
P.O. Box 3967 | Peoria, IL 61612-3967  
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Wayne G. McVaugh, Marina Tapia, Jaquanda Long, jointly or severally

in the City of Philadelphia, State of Pennsylvania its true and lawful Agent and Attorney in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, the following described bond.

**Any and all bonds provided the bond penalty does not exceed Twenty Five Million Dollars (\$25,000,000.00).**

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**RLI Insurance Company**

By: [Signature]  
Roy C. Die Vice President

State of Illinois }  
County of Peoria } SS

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By: [Signature]  
Jacqueline M. Bockler Notary Public



**RLI Insurance Company**

By: [Signature]  
Roy C. Die Vice President

3732338020212

A0058707



RLI Insurance Company  
P.O. Box 3967 Peoria IL 61612-3967  
Phone: 309-692-1000 Fax: 309-683-1610

## RLI Insurance Company

December 31, 2012

### Admitted Assets

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#### Surplus:

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Total Liabilities and Surplus \$ 1,423,901,416

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Michael J. Stone

President

Cynthia S. Dohm

Assistant Secretary

Sworn to before me this 4th day of March, 2013.



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Affixed }

Jacqueline M. Bockler

Notary Public, State of Illinois

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